

February 25, 2000

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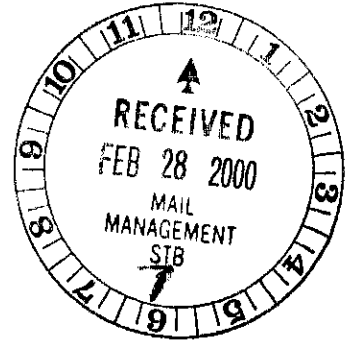
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Mr. Vernon A. Williams, Secretary  
Surface Transportation Board  
Office of the Secretary  
Case Control Unit  
Attn: STB Ex Parte No. 582  
1925 K Street NW  
Washington, DC 20243-0001 USA

Office of the Secretary

FEB 26 2000

Part of  
Public Record

Dear Sir:

Tolko Industries Ltd. is a Canadian Forest Products producer with nine manufacturing operations in Western Canada. We are a major user of rail services throughout North America. We have experienced and worked through the recent rail mergers. The purpose of this letter is to comment on the issues to be discussed March 8, 2000 in Ex Parte 582.

We encourage the Surface Transportation Board to focus on whether the proposed CN-BNSF combination is good for shippers and receivers, not on potential side effects. The CN-BNSF combination should be judged on its merits of service, efficiency and competitiveness. Any proposed merger should be judged on its merits.

The timing of the proposed CN-BNSF combination is not the central issue for our company. Our concern is service and competitive access to markets. Recent mergers have failed on service, and the Surface Transportation Board should focus on ensuring that the CN-BNSF combination, and any other proposed mergers, will deliver service.

The Surface Transportation Board has a comprehensive process to evaluate railroad transactions and protect the public interest. It should fairly evaluate the CN-BNSF combination according to that process.

Yours truly,

TOLKO INDUSTRIES LTD.

Alex Wallace  
Manager Transportation Services

AW/sh

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